

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of	)	
	)	
Schools and Libraries Universal	)	CC Docket No. 02-6
Service Support Mechanism	)	
	)	
	)	

**REQUEST OF ADVANCED SOLUTIONS, INC. FOR A  
WAIVER OF E-RATE INVOICING DEADLINES**

Pursuant to Section 1.3 of the Commission’s Rules,<sup>1</sup> Advanced Solutions, Inc. (ASI)<sup>2</sup> respectfully requests a waiver of the E-rate invoicing deadline for certain services delivered in Funding Year 2002 associated with services to Grossmont Union High School District (Grossmont), FRN 773531.<sup>3</sup> ASI delivered the subject services in the funding year but, due to a processing error, inadvertently billed the customers the full, non-discounted rate for those services, which the customers paid. As discussed below, ASI did not discover the billing error in time to file a corrected invoice with the Schools and Libraries Division before the deadline passed. Absent a waiver of the invoice filing deadline, the customer will be denied the E-rate discounts for which they were approved.

Section 1.3 of the Commission’s rules provides that the Commission may waive its rules “if good cause therefore is shown.”<sup>4</sup> Generally, a waiver is appropriate if “special circumstances warrant deviation from the general rule and such deviation will serve the public interest.”<sup>5</sup> In

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<sup>1</sup> 47 C.F.R. §1.3.

<sup>2</sup> SPIN 143022137

<sup>3</sup> <http://www.sl.universalservice.org/reference/InvoicingDeadlines.asp>

<sup>4</sup> 47 C.F.R. § 1.3.

<sup>5</sup> *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990); *see also WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969).

this instance, as explained below, a waiver of the invoice filing deadline is necessary to ensure that the affected schools receive the full E-rate discounts for which they were approved.

For Funding Year 2002, SLD provided Grossmont funding commitments for 10 DS-3 lines, which ASI provided during that year, pursuant to FRN 773531. Under SLD procedures, the deadline for submitting invoices to SLD for the discounted share of these services was September 30, 2003.<sup>6</sup> In February 2004, Grossmont notified ASI that it had not provided discounts on seven of the ten E-rate eligible DS-3 lines, which were billed through separate accounts at Grossmont's request. Upon investigation, ASI determined that, although Grossmont had identified all ten accounts as E-rate eligible, ASI coded only three accounts as E-rate eligible in its billing system.<sup>7</sup> Because this error was not brought to ASI's attention until after the deadline for invoicing SLD, we are unable to credit the customer's account for the appropriate discounts and invoice for reimbursement absent a waiver.

Good cause exists for waiving the invoice filing deadline to ensure that the schools in question receive the full benefit of the E-rate funds for which they applied and were approved.<sup>8</sup> As SBC explained in a discussion with the Bureau on February 12, 2003, enterprise-wide SBC handles discounts associated with 5000 FRNs each year, with ASI responsible for discounts associated with over 353 FRNs each year in California alone. Each of these FRNs has multiple associated telephone numbers receiving services – some have hundreds of numbers.<sup>9</sup> It is a considerable undertaking to efficiently and accurately apply discounts, generate and submit invoices, and pass E-rate funds on to applicants in accordance with the rules. ASI has devoted

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<sup>6</sup> <http://www.sl.universalservice.org/reference/InvoicingDeadlines.asp>

<sup>7</sup> ASI is unable to determine why all ten accounts were not properly coded as E-rate eligible because the responsible employee is no longer with the company and did not leave sufficient records for ASI to assess the circumstances of the error.

<sup>8</sup> The total amount of the discounts that was not applied to these accounts is \$120,960.00.

<sup>9</sup> Letter of Mary L. Henze, Asst. V.P. Federal Regulatory, BellSouth Corp., to Marlene Dortch, Secretary, FCC (Feb. 17, 2004).

significant time, effort and resources to establish processes and systems necessary to implement the E-rate program. Those systems generally perform well, and apply the appropriate discounts for services provided pursuant to the E-rate program. In this case, however, employee error caused ASI to fail to apply the E-rate discounts to all of the accounts associated with FRN 773531. Given the scale and scope of ASI's E-rate participation, errors of this type are inevitable. In these circumstances, strict adherence to the invoice filing deadline would be inappropriate. A waiver of the invoice deadline would further the public interest by ensuring that the applicant schools receive the full-amount of E-rate funding for which they were approved.

### **Conclusion**

The Commission should grant this request for a waiver of the E-rate invoicing deadlines so that Grossmont Union High School District can receive the full benefit of the E-rate discounts for which they were approved.

Respectfully submitted,

ADVANCED SOLUTIONS, INC.

By: **/s/ Christopher M. Heimann**

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